



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held June 19, 2007, the Board took the following action:

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Supervisor Yaroslavsky made the following statement:

“Part of California’s efforts to combat Global Warming and reduce reliance on natural gas should include efforts to increase the use of solar energy systems. In 2006, the Legislature passed SB 1 (Chapter 132 of 2006) which authorized the California Solar Initiative (CSI), a \$3.2 billion program with the goal of installing 3,000 megawatts of solar electricity, through a declining rebate program, by 2017. The CSI is limited to solar energy systems that convert the sun’s energy into electricity, which excludes systems that primarily offset the need for natural gas. SB 1 contained a provision allowing \$100.8 million to be expended on solar thermal devices that do not directly produce electricity, but in implementing the statute, the Public Utilities Commission (PUC) determined they could not spend this money on devices that only offset the need for natural gas. This was because the CSI was funded only by electricity ratepayers through a surcharge on electricity rates, and thus could not be used to fund a program that only benefited natural gas ratepayers.

“AB 1470 (Huffman) would establish a new gas utility surcharge to fund a 10-year, \$250 million program to subsidize the installation of solar hot water heaters. This legislation requires the PUC to design and implement a program within the territories of the investor-owned gas corporations to provide incentives toward achieving a goal of installing 200,000 solar hot water systems throughout the State by 2017. It requires the PUC to fund the program through a consumption-based surcharge on gas customers, but exempts from the surcharge those customers with incomes below 300 percent of the federal poverty level. Ten percent of the funds are required to be allocated for low-income and affordable housing projects. It is estimated that meeting the goals of this program could result in a savings of 4.2 million therms per year, or a reduction of 18 percent of California’s current demand for natural gas. This legislation would go a long way towards improving the environment by reducing California’s reliance on natural gas.”

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Therefore, Supervisor Yaroslavsky made a motion that the Board take the following actions:

1. Support AB 1470 (Huffman), Solar energy: Solar Hot Water and Efficiency Act of 2007;
2. Send a five-signature letter to Assembly Member Huffman, Assembly Speaker, Senate President Pro Tem, the Assembly Appropriations Committee, and the Los Angeles County Legislative Delegation expressing the Board's support of AB 1470; and
3. Instruct the County's Legislative Advocates in Sacramento to support AB 1470 and to work vigorously to ensure that the Bill is removed from the Assembly Appropriations Suspense File and to ensure its passage.

David Lambertson, Director, and Howard Choy, Division Manager, Energy Management Division, Internal Services Department, responded to questions posed by the Board.

After discussion, Supervisor Yaroslavsky's aforementioned motion was duly carried by the following vote: Ayes: Supervisors Molina, Burke, and Yaroslavsky; Noes: Supervisors Knabe and Antonovich.

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